

Richard P. Brummel  
March 11, 1994  
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RELATED INFORMATION:

a. The estimated average payment rates are:

	Average Per Diem	
	1/1/93	1/1/94
All Nebraska Facilities	\$60.07	\$62.03

which may be further broken down as follows:

Located in MSA:		
Wavered	\$61.84	\$56.63
Non-wavered	\$72.12	\$72.14
Not Located in MSA:		
Wavered	\$54.13	\$55.78
Non-wavered	\$59.26	\$61.20

b. The Department finds that the new rates will ensure availability of Nursing Facility services because providers in Nebraska will receive rates which allow adequate reimbursement for continued participation in the program. Payment for ICF/MR services are not affected by this plan change. The short-term and long-term consequences of continuing provider participation are that services will remain available on statewide and geographic basis, with proper care furnished to those in need of services.

c. This Addendum details the computation of the percent increase allowed for the interim rate computation, Section 12-011.07D. The costs of implementing nursing home reform are included in this Addendum's computations of interim rates (and are included in Nursing Facility costs reported to the Department on their June 30, 1993 Cost Reports), and are further explained in Addendum #2 (see below).

NURSING HOME REFORM REQUIREMENTS:

Nebraska State Plan Amendment MS 92-12, Addendum #2, details the specific methodology used in determining the adjustment in payment amounts for OBRA 87 requirements as required by Section 4801(e)(1)(B) of OBRA 90. This Addendum is still applicable and in effect.

State Plan TN# 94-01 Effective Date 01/01/94  
~~Supersedes~~ TN# \_\_\_\_\_ Approval Date 04/14/94

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If you have any questions regarding this State Plan Amendment,  
please contact Tom Folmer at (402) 471-9202.

Sincerely,



Robert J. Seiffert, Administrator  
Medical Services Division

Enclosure

FFM TN# 94-01 Effective Date 01/01/94  
Revised TN# \_\_\_\_\_ Approval Date 04/14/94

# STATE OF NEBRASKA

DEPARTMENT OF SOCIAL SERVICES

Dean Harvey



E. Benjamin Nelson  
Governor

February 5, 1993

Richard P. Brummel  
Associate Regional Administrator for Medicaid  
Room 227, Federal Office Building  
601 East 12th Street  
Kansas City, MO 64106-2898

Dear Mr. Brummel:

The enclosed Plan Amendment MS-93-1 addresses our nursing facility payment rate methodology for services to Nebraska Medicaid clients. This amendment revises Addendum #3 to the State Plan. Addendum #3 details the computation of the percentage which is used to increase allowable June 30, 1992, costs, to calendar year 1993 interim rates. We request your approval of this State Plan change.

## ASSURANCES:

a. REASONABLE AND ADEQUATE RATES: The Department finds that the rates promulgated under this system are reasonable and adequate to meet the costs that must be incurred by efficiently and economically operated providers which provide services in conformity with applicable State and Federal laws, regulations, and quality and safety standards.

b. COSTS OF COMPLYING WITH OBRA 87: The Department finds that the rates promulgated under this system provide for the payment of costs (including the costs of services required to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident eligible for benefits under the title) of complying with the nursing home reform requirements of OBRA 87.

c. COSTS OF COMPLYING WITH Part 483 Subpart B of 42 CFR Ch. IV: The Department finds that the rates promulgated under this system take into account the costs of complying with the requirements of Part 483 Subpart B of 42 CFR Ch. IV.

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d. APPROPRIATE REDUCTION: The Department finds that the rates promulgated under this system provide for an appropriate reduction to take into account the lower costs (if any) for nursing care of a facility which is under a waiver of the requirement to provide licensed nurses on a 24 hour basis.

e. PUBLIC DATA: The Department finds that the data and methodology used in establishing payment rates are available to the public.

f. UPPER LIMITS: This Plan Amendment does not change requirements under Section 12-011.03, which state that "because Title XVIII principles of reimbursement are further restricted by this regulation, the aggregate payments by the Department do not exceed amounts which would be paid under Title XVIII principles of reimbursement for extended care facilities".

Aggregate payments to State operated facilities may not exceed the amount that can reasonably be estimated that would have been paid under Medicare payment principles.

g. PROVIDER APPEALS: This Plan Amendment does not change plan provisions under Section 12-011.13, which provide for a facility appeal process.

h. UNIFORM COST REPORTING: This Plan Amendment does not change plan provisions under Section 12-011.09 which provide for uniform cost reports from all providers.

i. AUDIT REQUIREMENTS: This Plan Amendment does not change plan provisions under Section 12-011.10, which provide for periodic audits.

j. PUBLIC NOTICE: Public notice was published on December 31, 1992.

k. REVALUATION OF ASSETS: This Plan Amendment does not change plan provisions under Section 12-011.06H, which outline the cost basis allowed for facilities purchased on or after December 1, 1984.

l. RATES PAID: Per diem rates are computed in accordance with these methods and standards.

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RELATED INFORMATION:

a. The estimated average payment rates are:

Type Facility	Average Per Diem	
	9/1/92	1/1/93
Located in MSA:		
Wavered	\$N/A	\$61.84
Non-wavered	\$66.51	\$72.12
Not Located in MSA:		
Wavered	\$51.63	\$54.13
Non-wavered	\$52.26	\$59.26

b. The Department finds that the new rates will ensure availability of Nursing Facility services because providers in Nebraska will receive rates which allow adequate reimbursement for continued participation in the program. Payment for ICF/MR services are not affected by this plan change. The short-term and long-term consequences of continuing provider participation are that services will remain available on statewide and geographic basis, with proper care furnished to those in need of services.

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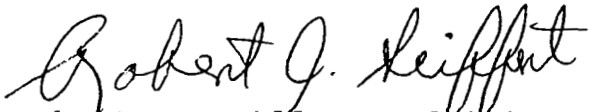
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If you have any questions regarding this State Plan Amendment,  
please contact Tom Folmer at (402) 471-9202.

Sincerely,

A handwritten signature in cursive script, reading "Robert J. Seiffert". The signature is written in dark ink and is positioned above the typed name.

Robert J. Seiffert, Administrator  
Medical Services Division

Enclosure